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TITLE S.2270--A Bill To Provide Financial Assistance to States and Localities for High Quality Early Childhood Development Programs for Prekindergarten Children, and for Other Purposes. Senate, 100th Congress, 2d Session.

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ABSTRACT

Senate bill S.2270, "Smart Start: The Community Collaborative for Early Childhood Development Act of 1988," is designed to provide financial assistance to states and localities for high quality early childhood development programs for prekindergarten children. The first and second purposes of the act are to make widely available to prekindergarten children, especially low-income children, a high-quality, child-centered, developmentally appropriate early childhood education program, and to make widely available to parents a full workday and full calendar-year program in which they can enroll prekindergarten-aged children. Substantive sections of the text concern: (1) findings and purposes; (2) definitions; (3) program authority and authorization; (4) eligibility for federal assistance; (5) allotments to states; (6) local and within-state allocation; (7) planning grants; (8) the State Interagency Advisory Task Force; (9) the lead state agency; (10) the state application and state plan; (11) the local policy group; (12) the local plan and application; (13) eligible children and families; (14) use of funds; (15) minimum standards; (16) administrative provisions; (17) evaluation; (18) nondiscrimination; and (19) payments, federal share, and maintenance of the effort. (RH)

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100TH CONGRESS
2D SESSION

S. 2270

To provide financial assistance to States and localities for high quality early
childhood development programs for prekindergarten children, and for other
purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 12 (legislative day, APRIL 11), 1988

Mr. KENNEDY (for himself, Mr. SIMON, Mr. MOYNIHAN, Mr. MATSUNAGA, Mr.
INOUE, Mr. BINGAMAN, Mr. ADAMS, Mr. KERRY, Mr. DUBENBERGER, Mr.
BURDICK, Mr. WIRTH, Mr. SANFORD, Mr. SHELBY, Mr. BRADLEY, and Mr.
LAUTENBERG) introduced the following bill; which was read twice and re-
ferred to the Committee on Labor and Human Resources

A BILL

To provide financial assistance to States and localities for high
quality early childhood development programs for prekinde-
r-garten children, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SHORT TITLE; TABLE OF CONTENTS

4 SECTION 1. (a) SHORT TITLE.—This Act may be cited
5 as the “Smart Start: The Community Collaborative for Early
6 Childhood Development Act of 1988”.

PS 012749

1 **(b) TABLE OF CONTENTS.—**

- Sec. 1. Short title; table of contents.
- Sec. 2. Statement of findings and purpose.
- Sec. 3. Definitions.
- Sec. 4. Program authorized.
- Sec. 5. Eligibility for Federal assistance.
- Sec. 6. Allotments to States.
- Sec. 7. Locality and within State allocation.
- Sec. 8. Planning grants.
- Sec. 9. State Interagency Advisory Task Force.
- Sec. 10. Lead State Agency.
- Sec. 11. State application and State Plan.
- Sec. 12. Local Policy Group.
- Sec. 13. Local plan and application.
- Sec. 14. Eligible children and families.
- Sec. 15. Use of funds.
- Sec. 16. Minimum standards.
- Sec. 17. Administrative provisions.
- Sec. 18. Evaluation.
- Sec. 19. Nondiscrimination.
- Sec. 20. Payments; Federal share; maintenance of effort.

2 **STATEMENT OF FINDINGS AND PURPOSE**

3 **SEC. 2. (a) FINDINGS.—Congress finds that—**

4 (1) high quality early childhood development pro-
 5 grams can increase the literacy rate, the graduation
 6 rate, the employment rate, and the rate of enrollment
 7 in higher education for those children who receive such
 8 programs;

9 (2) high quality prekindergarten programs can
 10 also decrease the rate of incidence of cognitive, learn-
 11 ing, and emotional handicaps, teenage pregnancy, wel-
 12 fare dependency, and incidence of arrest and juvenile
 13 delinquency for those children who receive such pro-
 14 grams;

1 (3) high quality early childhood development pro-
2 grams are cost effective, saving taxpayers \$6 for every
3 dollar invested;

4 (4) despite these well-documented, long-term ad-
5 vantages only one-third of the children who live in
6 poverty are enrolled in early education programs;

7 (5) the less income and education parents have,
8 the less likely their children are to be enrolled in early
9 childhood education programs;

10 (6) only 40 percent of 3-year-olds and 4-year-olds
11 whose mothers work outside the home are enrolled in
12 educational programs;

13 (7) half of all preschool children have two parents
14 in the workforce or live in single parent families and
15 the number is growing;

16 (8) because of the growing number of such chil-
17 dren, there is a great need for high quality child care
18 programs;

19 (9) existing programs of early education and child
20 care that run only half-day or only during the school-
21 day and school-year should be extended to meet the
22 full child care needs of working parents;

23 (10) existing child care programs that do not meet
24 the cognitive, physical, emotional, and communication
25 developmental needs that high quality programs pro-

1 vide should be upgraded to provide these services to
2 preschool children;

3 (11) the lack of affordable, high quality full-day
4 child care prevents us from achieving important nation-
5 al goals;

6 (12) many parents are unable to seek education
7 and training because they do not have access to full-
8 day child care;

9 (13) lack of affordable child care keeps women, in-
10 cluding half of all single mothers not now in the labor
11 force, from seeking paid employment;

12 (14) the shortage of full-day child care prevents
13 families from achieving economic self-sufficiency and
14 from contributing to the economy and national produc-
15 tivity;

16 (15) the shortage of such care is a leading cause
17 of worker absenteeism and harms America's economic
18 productivity;

19 (16) many working families cannot afford high
20 quality early childhood development programs for their
21 children;

22 (17) the low salaries paid to professional staff in
23 preschool programs, the lack of a professional career
24 progression for such staff, and the lack of child devel-

1 opment specialists makes it difficult to maintain high
2 quality in programs for young children;

3 (18) children who receive poor quality care or
4 who are left on their own while their parents work
5 may suffer great physical, psychological, and develop-
6 mental harm as a result;

7 (19) many States and localities have established
8 early childhood development programs to help meet the
9 needs of young children and their families, particularly
10 low-income families;

11 (20) but there remains a great need for high qual-
12 ity full-day programs, which could be met both by ex-
13 panding and upgrading existing early childhood pro-
14 grams or by creating new childhood development
15 programs.

16 (b) PURPOSE.—It is therefore the purpose of this Act—

17 (1) to make widely available to prekindergarten
18 children, especially for low-income children, a high-
19 quality, child-centered, developmentally appropriate
20 early childhood education program;

21 (2) to make widely available to parents who wish
22 such services a full workday, full calendar-year pro-
23 gram in which they can enroll their prekindergarten-
24 age children;

1 (3) to make efficient use of Federal, State, and
2 local early childhood development and child care re-
3 sources by promoting collaboration and coordination at
4 the Federal, State, and local levels;

5 (4) to assist State and local governments in pro-
6 viding comprehensive developmentally appropriate
7 early childhood programs as well as child care, health,
8 nutrition, mental health, and other social services to all
9 prekindergarten students, including students whose
10 native language is other than English, and especially
11 to needy prekindergarten students in poor urban and
12 rural areas;

13 (5) to assist State and local governments in ex-
14 panding, improving, or establishing early childhood de-
15 velopment programs or child care programs using ex-
16 isting facilities in elementary and secondary school
17 buildings and community resources and facilities that
18 meet State and local safety code requirements;

19 (6) to assist State and local governments in
20 making available family support for prenatal and par-
21 enting training to parents of prekindergarten students
22 who request such services;

23 (7) to provide incentives for community collabora-
24 tion, including public-private partnerships, in the deliv-
25 ery of comprehensive early childhood services through

1 schools, Head Start agencies, and other community
2 organizations;

3 (8) to provide incentives to ensure a smooth tran-
4 sition for students from prekindergarten into the ele-
5 mentary school grades when they reach the appropri-
6 ate age; and

7 (9) to assist State and local governments in pro-
8 viding training for early childhood development and
9 child care staff and child development specialists and
10 promoting the use of salary scales that take into ac-
11 count amount of training and experience.

12 DEFINITIONS

13 SEC. 3. As used in this Act—

14 (1) The term “calendar year” means all days of
15 operation of businesses in the community, exclusive of
16 Federal holidays, with no more than 2 weeks during
17 the summer during which programs may be closed.

18 (2) The term “early childhood development”
19 means an educational program that is appropriate for
20 the child’s age and all areas of the individual child’s
21 development, including physical, emotional, social, cog-
22 nitive, and communication.

23 (3) The term “full-day” means the hours of oper-
24 ation of businesses in the community.

25 (4) The term “locality” means a city, county, or
26 multicounty or multicounty unit within a State, an Indian

1 reservation, or other area (irrespective of boundaries or
2 political subdivisions) which provides a suitable organi-
3 zational base and possesses the commonality of interest
4 needed to operate a program assisted under this Act.

5 (5) The term "prekindergarten" means the year
6 before a child is eligible to enter kindergarten, usually
7 at age 4.

8 (6) The term "State" means each of the several
9 States, the District of Columbia, the Commonwealth of
10 Puerto Rico, Guam, American Samoa, the Virgin Is-
11 lands, the Northern Mariana Islands, and the Trust
12 Territory of the Pacific Islands.

13 (7) The term "service provider" means any public
14 or nonsectarian nonprofit deliverer of early childhood
15 development services, including a local educational
16 agency, Head Start center, and community-based orga-
17 nization receiving funds under this Act.

18 (8) The term "Secretary" means the Secretary of
19 Education.

20 (9) The term "training" means that instruction in
21 early childhood development that is required for certifi-
22 cation by existing State and local laws, regulations,
23 and policies, or, in a State with no certification proce-
24 dures, a nationally recognized credential such as the
25 Child Development Associate credential or postsecond-

1 ary education with significant coursework in early
2 childhood education or early childhood development.

3 (10) The term, "child development specialists"
4 shall include but not be limited to mean school counsel-
5 ors, school social workers, school psychologists,
6 speech-language pathologists, and other qualified pro-
7 fessional personnel involved in providing developmental
8 assessment, counseling, therapeutic, and other neces-
9 sary services as part of a comprehensive child develop-
10 ment services program.

11 PROGRAM AUTHORIZED

12 SEC. 4. (a) GENERAL AUTHORITY.—The Secretary
13 shall, in accordance with this Act, and in consultation with
14 the Secretary of Health and Human Services, make grants to
15 States and localities having plans and applications approved
16 under sections 11 and 13 of this Act to assist States and
17 localities to expand or establish full-day early childhood de-
18 velopment services for prekindergarten children. In carrying
19 out this Act, the Secretary shall use the expertise of early
20 childhood experts in the Department of Health and Human
21 Services agency. The Secretary shall ensure that individuals
22 administering this Act shall have expertise in the area of
23 early childhood development.

24 (b) AUTHORIZATION OF APPROPRIATIONS.—There are
25 authorized to be appropriated for purposes of carrying out the
26 provisions of this Act \$500,000,000 for fiscal year 1989;

1 \$750,000,000 for fiscal year 1990; \$1,000,000,000 for fiscal
 2 year 1991; \$1,000,000,000 for fiscal year 1992; and
 3 \$1,000,000,000 for fiscal year 1993.

4 ELIGIBILITY FOR FEDERAL ASSISTANCE

5 SEC. 5. (a) STATE ELIGIBILITY.—A State shall be eli-
 6 gible to receive its allocation under section 6(b) of this Act if
 7 the State—

8 (1) provides assurances that the State has estab-
 9 lished or designated a State Interagency Advisory
 10 Task Force in accordance with section 9 of this Act;
 11 and

12 (2) submits an application and a State plan to the
 13 Secretary as required under section 11 of this Act.

14 (b) LOCALITY ELIGIBILITY.—If a State does not par-
 15 ticipate in the program under this Act, a locality in that State
 16 is eligible for a grant as provided in section 7 of this Act, if
 17 the locality—

18 (1) provides assurances that the locality has estab-
 19 lished or designated a Local Policy Group, as provided
 20 in section 12 of this Act; and

21 (2) makes an application as provided in section 13
 22 of this Act.

23 ALLOTMENTS TO STATES

24 SEC. 6. (a) RESERVATIONS.—The Secretary shall re-
 25 serve 1 per centum of the amount appropriated under section
 26 4(b) in each fiscal year for payments to Guam, American

1 Samoa, the Virgin Islands, the Trust Territory of the Pacific
2 Islands, and the Northern Mariana Islands, to be allotted in
3 accordance with their respective needs.

4 (b) STATE ALLOTMENT.—(1) From the remainder of
5 the sums appropriated under section 4(b) for each fiscal year,
6 the Secretary shall allot to each State an amount, determined
7 in accordance with this subsection.

8 (2) The Secretary shall allot an amount which bears the
9 same ratio to 25 percent of such remainder as the product of
10 the number of children to be counted in the State and the tax
11 capacity index of the State bears to the sum of the corre-
12 sponding products for all States.

13 (3) The Secretary shall allot an amount which bears the
14 same ratio to 25 percent of such remainder as the product of
15 the number of children to be counted in the State and the tax
16 effort index of the State bears to the sum of the correspond-
17 ing products for all States.

18 (4) The Secretary shall allot an amount which bears the
19 same ratio to 25 percent of such remainder as the product of
20 the number of families to be counted in the State and the tax
21 capacity index of the State bears to the sum of the corre-
22 sponding products for all States.

23 (5) The Secretary shall allot an amount which bears the
24 same ratio to 25 percent of such remainder as the product of
25 the number of families to be counted in the State and the tax

1 effort index of the State bears to the sum of the correspond-
2 ing products for all States.

3 (6) For the purpose of this subsection, the term "State"
4 does not include Guam, American Samoa, the Virgin Islands,
5 the Northern Mariana Islands, and the Trust Territory of the
6 Pacific Islands.

7 (c) CHILDREN TO BE COUNTED.—The number of chil-
8 dren to be counted for purposes of this section shall be the
9 number of children aged 0 to 5, inclusive, in families with
10 income below the poverty level as determined by the Bureau
11 of the Census in compiling the most recent decennial census.

12 (d) FAMILIES TO BE COUNTED.—The number of fami-
13 lies to be counted for purposes of this section shall be deter-
14 mined by adding—

15 (1) the number of families headed by single
16 women parents who are in the labor force and who
17 have one or more children aged 0 to 5 years, inclusive;
18 and

19 (2) the number of families with two parents, both
20 of whom are in the labor force, and who have one or
21 more children aged 0 to 5 years, inclusive;
22 as determined by the Bureau of the Census in compiling the
23 most recent decennial census.

24 (e) TAX CAPACITY INDEX.—The tax capacity index is
25 equal to 100 divided by the most recent standard tax capacity

1 figure for the State, based on the Representative Tax
2 System, developed annually by the Advisory Commission on
3 Intergovernmental Relations.

4 (f) TAX EFFORT INDEX.—The tax effort index is equal
5 to the most recent measure of tax effort for the State that is
6 based on the standard tax capacity measures, as developed
7 annually by the Advisory Commission on Intergovernmental
8 Relations, divided by 100.

9 (g) REALLOTMENT.—After satisfying the needs of lo-
10 calities under section 7(a), the amount of any State's allot-
11 ment under subsection (b) for any fiscal year to carry out this
12 Act which the Secretary determines will not be required for
13 that fiscal year to carry out this Act shall be available for
14 reallotment from time to time, on such dates during that year
15 as the Secretary may fix, to other States in proportion to the
16 original allotments to those States under subsection (b) for
17 that year but with such proportionate amount for any of
18 those other States being reduced to the extent it exceeds the
19 sum the Secretary estimates that State needs and will be able
20 to use for that year; and the total of those reductions shall be
21 similarly reallotted among the States whose proportionate
22 amounts were not so reduced. Any amounts reallotted to a
23 State under this subsection during a year shall be deemed a
24 part of its allotment under subsection (b) for that year.

1 LOCALITY AND WITHIN STATE ALLOCATION

2 SEC. 7. (a) FEDERAL ALLOCATION TO LOCALITIES.—

3 From amounts that would be allotted to a State under section
4 6(b) but will not be so allotted because the State elects not to
5 participate in programs assisted under this Act, the Secretary
6 shall allocate amounts to localities in accordance with this
7 section. The grant which a locality is eligible to receive under
8 section 5(b) is equal to the amount to which the locality is
9 entitled when ranked by the Secretary against other appli-
10 cants from the same State under subsection (c) of this section.

11 (b) WITHIN STATE RESERVATION AND ALLOCA-
12 TION.—(1) The Governor shall, from the allotment of the
13 State under section 6(b), reserve 25 percent in each fiscal
14 year for the activities described in paragraph (2).

15 (2) From the amount reserved in each fiscal year—

16 (A) not to exceed 1 percent may be used for the
17 State Interagency Advisory Task Force established
18 under section 9 of this Act;

19 (B) not to exceed 4 percent may be used for
20 administrative costs;

21 (C) at least 5 percent shall be used for grants to
22 localities in nonmetropolitan areas, and to localities for
23 the purpose of serving migrant and Indian children or
24 if no such localities apply for funds, funds under this

1 subparagraph may be used for purposes stated in sub-
2 paragraph (D) of this paragraph:

3 (D) at least 10 percent shall be used for discre-
4 tionary grants to localities for purposes set forth in this
5 Act; and

6 (E) at least 5 percent shall be used for develop-
7 ment and implementation of statewide training pro-
8 grams, and technical assistance to localities for
9 training.

10 (3) The Governor shall, from the allotment of the State
11 in each fiscal year allocate the remaining 75 percent to local-
12 ities that have applications approved under section 13 of this
13 Act, on the basis of the ranking of applications under subsec-
14 tion (c) and the criteria listed in subsection (d) of this section.

15 (c) RANKING OF APPLICATIONS FROM LOCALITIES.—

16 (1) All localities within a State that have applications ap-
17 proved for funds shall be ranked from highest to lowest
18 against other applications within the State on the basis of the
19 scores for two separate indices described in paragraph (2) of
20 this subsection. Where localities submitting applications
21 claim overlapping boundaries, the State, or in the case of
22 localities in nonparticipating States, the Secretary, shall de-
23 termine which locality will have jurisdiction over the overlap-
24 ping area.

25 (2) The indices described in paragraph (1) are—

1 (A) the number of children in the locality aged 0
2 to 5 years, inclusive, in families below the poverty line,
3 divided by the number of all children aged 0 to 5
4 years, inclusive, in the locality, as determined by the
5 Bureau of the Census in compiling the most recent de-
6 cennial census; and

7 (B) the number of families in the locality with
8 children aged 0 to 5 years, inclusive, as determined by
9 the Bureau of the Census in compiling the most recent
10 decennial census.

11 (3) Where data is not available for children aged 0 to 5
12 years, the number of children aged 0 to 4 years, inclusive, as
13 determined by the Bureau of the Census in the most recent
14 decennial census may be used.

15 (d) ALLOCATION RULES.—(1) Fifty percent of the funds
16 shall be allocated to localities within the State on the basis of
17 each of the indices described in paragraph (2) of subsection
18 (c). Funds shall be allocated to localities in order of their
19 scores from highest to lowest until all funds have been allo-
20 cated. In allocating Federal funds and funds required to be
21 paid by the State as part of the non-Federal share under this
22 Act, the State shall provide uniform allocations per child and
23 per family throughout the State.

1 (2) No locality funded under paragraph (6) shall receive
 2 less than \$25,000 in total Federal and State funds provided
 3 under this Act.

4 PLANNING GRANTS

5 SEC. 8. (a) IN GENERAL.—Any locality may apply for a
 6 6-month planning grant to the State or, if the State does not
 7 participate in the program authorized by this Act, to the Sec-
 8 retary. Funds received by localities for planning grants shall
 9 be deducted from the funds the locality would otherwise be
 10 eligible for in the first year of the program.

11 (b) APPLICATION REQUIRED.—Each application for a
 12 planning grant shall—

13 (1) specify the membership of the Local Policy
 14 Group; and

15 (2) set forth the needs and resources assessment
 16 required in section 12(c) of this Act.

17 STATE INTERAGENCY ADVISORY TASK FORCE

18 SEC. 9. (a) ESTABLISHMENT.—Any State which de-
 19 sires to receive financial assistance under this Act shall es-
 20 tablish a State Interagency Advisory Task Force.

21 (b) COMPOSITION.—The Task Force shall be composed
 22 of a group of representatives of agencies and institutions in-
 23 terested in or currently participating in the provision of early
 24 childhood development programs and child care in the State.
 25 The Governor shall select representatives from among—

26 (1) office of the Governor;

- 1 (2) the State education agency;
- 2 (3) the State social services agency (or State child
- 3 development or child advocacy agency);
- 4 (4) Head Start agencies within the State;
- 5 (5) the State health agency;
- 6 (6) the State labor/employment agency;
- 7 (7) the State housing agency;
- 8 (8) organizations representing local governments
- 9 and service deliverers within the State;
- 10 (9) local educational agencies and school boards
- 11 within the State;
- 12 (10) local resource and referral agencies within
- 13 the State; and
- 14 (11) organizations representing parents, teachers,
- 15 business, labor, and child care providers within the
- 16 State.

17 The Task Force shall include at least one representative from
18 each entity listed in the paragraphs of this subsection unless
19 such entity elects not to participate. The membership of the
20 Task Force shall be balanced in its representation of the
21 member organizations and entities. The Task Force shall also
22 be balanced according to the race, ethnicity, and gender of its
23 members.

24 (c) FUNCTIONS OF THE TASK FORCE.—The Task
25 Force shall—

1 (1) recommend to the Governor a Lead State
2 Agency to administer programs to be assisted under
3 this Act in the State based on that agency's experience
4 in the administration of early childhood development
5 programs;

6 (2) advise and assist the Lead State Agency des-
7 ignated by the Governor in the performance of its re-
8 sponsibilities set out in section 10 of this Act—

9 (A) by helping to develop the State plan re-
10 quired in section 11 of this Act;

11 (B) by conducting a needs and resources
12 assessment—

13 (i) to determine where early childhood
14 development and child care programs are
15 lacking or are inadequate within the State,
16 with particular attention to poor urban and
17 rural areas, and what special services are
18 needed within the State, such as services for
19 children whose native language is other than
20 English;

21 (ii) to identify existing early childhood
22 development and child care programs (other
23 than profitmaking or sectarian) in the State
24 which might be expanded or upgraded with
25 the use of funds provided by this Act to meet

1 criteria required in section 16 of this Act;
2 and

3 (iii) where appropriate, to identify other
4 sources of fiscal and other support services
5 for early childhood development and child
6 care programs;

7 (C) by assigning financial responsibility to
8 the appropriate agency, and promoting inter-
9 agency agreements;

10 (3) identify and review State policies, regulations
11 or laws that may restrict the use of facilities for the
12 delivery of early childhood development or child care
13 services in school buildings or community agencies;

14 (4) advise and assist the Lead State Agency in
15 the preparation of applications and amendments
16 thereto;

17 (5) prepare and submit an annual report to the
18 Governor and the Secretary on the status of early
19 childhood development programs and child care pro-
20 grams operating within the State in accordance with
21 subsection (d);

22 (6) conduct evaluations of programs as required in
23 section 18; and

24 (7) arrange joint planning for provision of services
25 under this Act with the provision of services required

1 or authorized under other Federal laws, including the
2 Head Start Act, title XX of the Social Security Act,
3 chapter 1 of the Education Consolidation and Improve-
4 ment Act, Education of the Handicapped Act, the Bi-
5 lingual Education Act, the Indian Child Welfare Act,
6 the Job Training Partnership Act, and Federal housing
7 assistance programs.

8 (d) ANNUAL REPORT CONTENTS.—The report required
9 by subsection (c)(5) shall include—

10 (1) the number of children being served in the
11 State;

12 (2) data on the socioeconomic background of such
13 children;

14 (3) the number of children whose parents have re-
15 quested services but who are not being served;

16 (4) a description of the uses for which funds were
17 expended in accordance with section 15 of this Act;

18 (5) descriptions of programs expanded or upgraded
19 under this Act;

20 (6) descriptions of programs created under this
21 Act;

22 (7) descriptions of programs that could be expand-
23 ed or upgraded under this Act but that are currently
24 not receiving funds;

1 (8) a description of salary scales used in programs
2 receiving funds under this Act;

3 (9) a description of how programs receiving funds
4 under this Act fit with other existing programs of early
5 childhood development and child care for prekindergar-
6 ten children in the State;

7 (10) a description of how funds have been allocat-
8 ed among various geographic areas within the State in
9 accordance with the requirements of section 7 of this
10 Act;

11 (11) a description of early childhood education or
12 child development training programs in the State,
13 whether or not funded by this Act; and

14 (12) assurances that programs funded under this
15 Act meet the minimum standards required in section
16 16.

17 (e) CONFLICT OF INTEREST.—No member of the Task
18 Force shall cast a vote on any matter which would provide
19 direct personal financial benefit to that member or otherwise
20 give an appearance of a conflict of interest under State law.

21 (f) USE OF EXISTING TASK FORCES.—To the extent
22 that a State has established a task force before the date of
23 enactment of this Act which is comparable to the task force
24 described in this section, the State shall be considered to be
25 in compliance with subsections (a) and (b) of this section.

1 LEAD STATE AGENCY

2 SEC. 10. (a) DESIGNATION:—The Governor shall des-
3 ignate a Lead State Agency to administer the early childhood
4 development programs assisted under this Act in the State.

5 The Lead State Agency shall be selected from—

- 6 (1) the State educational agency;
- 7 (2) the State department of social services; or
- 8 (3) the State agency for child development or
- 9 child advocacy.

10 The criteria used to select the Lead State Agency shall in-
11 clude experience of the agency in carrying out early child-
12 hood development programs in the State. In order to be des-
13 igned a Lead State Agency, such agency must have the
14 authority under its charter or applicable law to receive and
15 administer Federal funds for use in support of early childhood
16 development programs, and to transfer funds so received, and
17 to act as a grantee, contractor, or sponsor of programs
18 authorized under this Act.

19 (b) FUNCTIONS.—The Lead State Agency shall, with
20 the assistance of the State Interagency Advisory Task Force,
21 be responsible for carrying out—

- 22 (1) the development and submission of the State
- 23 plan required in section 11(b) of this Act;
- 24 (2) the evaluation of applications submitted by lo-
- 25 calities, the ranking of such applications, and the desig-

1 nation of grant recipients, as provided under section 13
2 of this Act;

3 (3) the general administration, supervision, and
4 monitoring of programs and activities receiving assist-
5 ance under section 6 of this Act to ensure compliance
6 with this Act;

7 (4) the identification and provision for joint plan-
8 ning of all State-funded, and, to the extent practical,
9 all other early childhood development programs and
10 child care programs located in the State;

11 (5) contracting with other State and local service
12 providers as necessary;

13 (6) the resolution of intra- and interagency dis-
14 putes; and

15 (7) the provision of, directly, or by way of grant
16 or contract or other arrangements, technical assistance
17 to localities in developing, conducting, and administer-
18 ing programs under this Act.

19 STATE APPLICATION AND STATE PLAN

20 SEC. 11. (a) STATE APPLICATION.—Any State desir-
21 ing to receive a grant under this Act for any fiscal year shall
22 submit an application to the Secretary at such time and in
23 such manner as the Secretary may reasonably require. Each
24 such application shall contain—

25 (1) a description and list of members of the State
26 Interagency Advisory Task Force established or desig-

1 nated by the Governor as required in section 9 of this
2 Act;

3 (2) the designation of a Lead State Agency that
4 will be responsible for the administration of funds pro-
5 vided under section 6 of this Act, as required by sec-
6 tion 10 of this Act;

7 (3) a State plan as required by subsections (b) and
8 (c) of this section; and

9 (4) such other information and assurances as the
10 Secretary may reasonably require.

11 **(b) STATE PLAN.**—Any State desiring to receive a
12 grant under this Act shall file with the Secretary a State
13 Plan, developed by the Lead State Agency, with the advice
14 and assistance of the State Interagency Advisory Task
15 Force. The Plan shall be submitted to the Secretary at such
16 time and in such manner as the Secretary may reasonably
17 require.

18 **(c) CONTENTS OF PLAN.**—Such plan shall—

19 (1) describe what existing early childhood develop-
20 ment and child care programs in the State could be ex-
21 panded or upgraded with the use of funds provided by
22 this Act, as identified by the State Interagency Adviso-
23 ry Task Force, as provided in section 9(c) of this Act;

24 (2) describe the results of the needs and resources
25 assessment, carried out by the State Interagency Advi-

1 sory Task Force, indicating where early childhood de-
2 velopment programs, child care programs, and special
3 services are needed throughout the State, as provided
4 in section 9 of this Act;

5 (3) describe how the State will ensure compliance
6 with minimum standards required in section 16;

7 (4) describe how the State will meet the require-
8 ment of the non-Federal share required in section 20 of
9 this Act;

10 (5) describe the certification procedures and train-
11 ing required by the State;

12 (6) assure that funds paid to the State under this
13 Act will be expended in accordance with this Act;

14 (7) assure that declarations of intention regarding
15 the use of funds contained in the State plan will be
16 adhered to;

17 (8) provide for (A) making such reports in such
18 form and containing such information as the Secretary
19 may require to carry out the Secretary's functions
20 under this Act, and (B) keeping such records and af-
21 fording such access thereto as the Secretary may find
22 necessary to assure the correctness and verification of
23 such reports and proper disbursement of Federal funds
24 under this Act;

1 (9) provide satisfactory assurance that Federal
 2 funds made available under this Act, and the non-Fed-
 3 eral funds which are required to be paid as part of the
 4 non-Federal share under section 20 of this Act shall be
 5 used to supplement and increase the level of State and
 6 local funds expended for services, as provided in sec-
 7 tion 20 of this Act;

8 (10) provide satisfactory assurance that such fiscal
 9 control and fund accounting procedures will be adopted
 10 as may be necessary to assure proper disbursement of,
 11 and accounting for, Federal funds made available under
 12 this Act and non-Federal funds which are required to
 13 be paid as part of the non-Federal share under section
 14 20 of this Act; and

15 (11) such other information and assurances as the
 16 Secretary may reasonably require.

17 LOCAL POLICY GROUP

18 SEC. 12. (a) ESTABLISHMENT.—Any locality desiring
 19 to receive a grant under this Act shall form a Local Policy
 20 Group.

21 (b) COMPOSITION.—(1) The Local Policy Group shall
 22 be composed of a group of representatives of Government
 23 agencies, service providers, and all other agencies and insti-
 24 tutions interested in or currently participating in the provi-
 25 sion of early childhood development programs and child care
 26 services in the geographic area covered by the locality. The

1 Local Policy Group shall include representatives of all serv-
2 ice providers who desire to participate in the provision of...
3 services funded under this Act.

4 (2) The chief elected official of the locality (and if there
5 is more than one such official, each such official in the locali-
6 ty), the director of each local social services agency, and the
7 superintendent of each local educational agency of the locali-
8 ty, shall select the membership of the Local Policy Group.

9 The Local Policy Group shall be selected from among—

10 (A) chief elected officials of the geographic area
11 covered by the locality,

12 (B) Head Start providers,

13 (C) child care providers and community-based or-
14 ganizations serving preschool-aged children,

15 (D) local educational agencies and school boards,

16 (E) local social services agencies (or, if applicable,
17 local child development or child advocacy agencies),

18 (F) organizations representing teachers, labor,
19 business groups, parents, child care professionals, local
20 resource and referral agencies, and local public health
21 and nutrition agencies; and

22 (G) representatives of institutions of higher educa-
23 tion including child development experts.

24 The Local Policy Group shall include at least one representa-
25 tive from each entity listed in the subparagraphs of this para-

1 graph, unless such entity elects not to participate. The mem-
2 bership of the Local Policy Group shall be balanced in its
3 representation of the member organizations and entities. The
4 Local Policy Group shall also be balanced according to the
5 race, ethnicity, and gender of its members.

6 (c) FUNCTIONS.—The Local Policy Group shall—

7 (1) develop a collaborative voluntary application
8 to the State from the participating agencies;

9 (2) develop a needs and resources assessment for
10 the geographic area included within the locality,
11 stating—

12 (A) where services are most needed based on
13 numbers of parents of prekindergarten-age chil-
14 dren who work or wish to work, with particular
15 attention to such families who have low income;

16 (B) the existence of early childhood develop-
17 ment and child care programs and the degree to
18 which they meet the demand for such services in
19 the community;

20 (C) the existence of early childhood develop-
21 ment programs and child care programs which
22 can be expanded or upgraded to meet the require-
23 ments of this Act;

24 (D) the lack of any early childhood develop-
25 ment programs and child care programs in some

1 locations, with particular attention to poor urban
2 and rural areas; and

3 (E) the need for bilingual programs and serv-
4 ices for children whose native language is not
5 English and programs for handicapped, migrant,
6 Indian, and homeless children;

7 (3) determine how the locality will ensure that at
8 least 50 percent of spaces funded under this Act are
9 filled by children whose families earn less than 115
10 percent of the poverty level;

11 (4) identify and review local laws, regulations, or
12 policies that may restrict the use of facilities for the
13 delivery of early childhood development programs or
14 child care services in school buildings or community
15 agencies;

16 (5) identify salary scales for staff of existing pro-
17 viders of early childhood development programs and
18 child care and other positions in the community requir-
19 ing similar training and experience;

20 (6) prepare and submit an annual report to the
21 State Interagency Advisory Task Force on the status
22 of early childhood development programs and child
23 care within the locality; and

24 (7) arrange for evaluations required in section 18.

1 (d) CONTENTS OF REPORT.—Each report required by
2 subsection (c)(6) shall include—

3 (1) the number of children being served in the
4 locality;

5 (2) data on the socioeconomic background of such
6 children;

7 (3) the number of children whose parents have re-
8 quested services but who are not being served;

9 (4) a description of the uses for which funds were
10 expended in accordance with section 15 of this Act;

11 (5) a description of programs expanded or upgrad-
12 ed under this Act;

13 (6) a description of programs created under this
14 Act;

15 (7) a description of programs that could be ex-
16 panded or upgraded under this Act but that are cur-
17 rently not receiving funds;

18 (8) a description of salary scales used in programs
19 receiving funds under this Act;

20 (9) a description of how programs receiving funds
21 under this Act fit with other existing programs of early
22 childhood development and child care for prekindergar-
23 ten children in the locality;

1 (10) a description of how funds have been distrib-
2 uted among various geographic areas within the
3 locality;

4 (11) a description of early childhood education or
5 child development training programs in the locality,
6 whether or not funded by this Act; and

7 (12) assurances that programs funded under this
8 Act meet the minimum standards required in section
9 16 of this Act, including the reservation of 50 percent
10 of spaces made available by funds under this Act for
11 children whose families earn less than 115 percent of
12 the poverty line.

13 (e) CONFLICT OF INTEREST.—No member of the Local
14 Policy Group shall cast a vote on any matter which would
15 provide direct personal financial benefit to that member or
16 otherwise give an appearance of a conflict of interest under
17 State or local law.

18 (f) USE OF EXISTING LOCAL POLICY GROUP.—To the
19 extent that a locality has established a broadly representative
20 Local Policy Group before enactment of this legislation that
21 is comparable to the Local Policy Group described in this
22 section, such locality shall be considered to be in compliance
23 with subsections (a) and (b) of this section.

1 LOCAL PLAN AND APPLICATION

2 SEC. 13. (a) APPLICATION REQUIRED.—Any locality

3 desiring to receive a grant from the State to carry out serv-
4 ices assisted under this Act shall—

5 (1) form or designate a Local Policy Group, in ac-
6 cordance with section 12 of this Act; and

7 (2) prepare an application.

8 The application shall be developed by the Local Policy
9 Group.

10 (b) CONTENTS OF APPLICATION.—Each such applica-
11 tion shall contain—

12 (1) a service delivery plan from all participating
13 agencies and institutions, that includes—

14 (A) the name and location of all planned sites
15 for service delivery;

16 (B) a plan for ongoing coordination of early
17 childhood development, child care services, and
18 related child services at each site between (i)
19 Head Start providers and local educational agen-
20 cies whether or not receiving funds under this
21 Act, and (ii) between entities in clause (i) and any
22 other recipients of funds under this Act;

23 (C) a description of what services are to be
24 provided at each site and by what agency or insti-
25 tution and a rationale for decision to devote re-

1 sources to existing programs or to create new
2 programs;

3 (D) the number of children receiving services
4 free of charge, the number of children receiving
5 services for payment of fees, the level of such fees
6 paid at each site, and the distribution of such chil-
7 dren among service providers;

8 (E) the results of the local needs and re-
9 sources assessment conducted by the Local Policy
10 Group, as provided in section 12 of this Act, a
11 description of what needs for services have been
12 identified by such assessment, and a description of
13 how the plan for coordination of services will
14 meet the indicated needs;

15 (F) a description of certification and other
16 qualifications of staff, a plan for training of profes-
17 sional staff and employees, the turnover rate of
18 professional staff and employees, and a description
19 of salary schedules, and how such schedules re-
20 flect level of training, expertise, and experience of
21 employees;

22 (G) a description of the roles and responsibil-
23 ities at each site of each agency and institution
24 participating in the Local Policy Group and of

1 each contracting agency in the delivery of early
2 childhood development and other services;

3 (H) a description of how the locality will pro-
4 vide the non-Federal share required under section
5 20 of this Act if any portion thereof is not paid by
6 the State;

7 (I) assurances that Federal minimum stand-
8 ards in section 16 of this Act will be adhered to;

9 (J) a plan for evaluations required in section
10 18;

11 (K) such additional assurances or information
12 as the Secretary may reasonably require; and

13 (2) evidence demonstrating effective use of exist-
14 ing Federal and State funds available for early child-
15 hood development programs and child care programs,
16 including Head Start, programs assisted under chapter
17 1, social services block grants, school lunch and break-
18 fast assistance, and maternal and child health care
19 assistance.

20 (c) LOCAL ADMINISTERING AGENCY.—(1) In each lo-
21 cality, the chief elected official, the director of the local social
22 services agency, and the superintendent of the local educa-
23 tional agency shall jointly select a local administering agency
24 for the locality from the local education agencies, local social

1 services agency, the local child development agencies, and
2 the local resource and referral agency within the locality.

3 (2) The selection of the local administering agency shall
4 be based on the experience of such agency with programs of
5 early childhood development. In order to be designated a
6 local administering agency, such agency must have the au-
7 thority under its charter or applicable law to receive and ad-
8 minister Federal funds for use in support of early childhood
9 development programs, and to transfer funds so received, and
10 to act as a grantee, contracted, or sponsor of programs au-
11 thorized under this Act.

12 (3) The local administering agency of each locality shall
13 be designated as the coordinator of all programs assisted
14 under this Act for the locality for the purpose of administra-
15 tion and fiscal control.

16 (4) Each administering agency shall follow the plan de-
17 veloped by the Local Policy Group for the provision of serv-
18 ices assisted by this Act.

19 (d) SUBMISSION OF LOCALITY APPLICATION.—(1) Any
20 locality desiring to receive financial assistance under this
21 Act, that is located in a State receiving funds under this Act,
22 shall submit an application to the Lead State Agency for the
23 State in which such locality is located, as designated in sec-
24 tion 10.

1 (2) Any locality desiring to receive financial assistance
 2 under this Act, that is located in a State that has chosen not
 3 to receive funds under this Act, shall—

4 (A) submit an application to the Secretary of Edu-
 5 cation for a grant at such time and in such manner as
 6 the Secretary may reasonably require; and

7 (B) comply with the requirements under section
 8 12 and subsections (a) and (b) of section 13 of this Act.
 9 The service delivery plan required by section 13(a) shall also
 10 include the information required under section 11(b) as the
 11 information required therein pertains to the area to be served
 12 by the locality.

13 (e) EVALUATION OF APPLICATIONS.—Each application
 14 submitted by a locality shall be evaluated in accordance with
 15 section 7 of this Act.

16 ELIGIBLE CHILDREN AND FAMILIES

17 SEC. 14. (a) AGE REQUIREMENT.—Any child is eligible
 18 to participate in programs assisted under this Act in the
 19 school year prior to the school year in which the child would
 20 be eligible, under State law, to enter kindergarten. In any
 21 locality that does not offer kindergarten programs, children
 22 are eligible to participate in programs assisted under this Act
 23 at 4 years of age. Any State or locality which has served all
 24 children of the eligible age group requesting services may use
 25 funds under this Act to serve children in the school year 2
 26 years prior to the school year in which they would be eligible,

1 under State law, to enter kindergarten, or at 3 years of age.

2 A State or locality may use funds under this Act to expand

3 existing programs serving children aged 3 years through 5

4 years, if the maintenance of effort requirements in section 20

5 are met.

6 (b) FAMILY CONTRIBUTION.—(1) Eligible children in

7 families with incomes under 115 percent of the poverty line

8 are eligible for services provided by this Act without charge.

9 (2) Eligible children in families with incomes above 115

10 percent of the poverty line are eligible for services provided

11 by this Act with payment of fees on a sliding scale up to the

12 full cost of such services. The sliding scale shall be developed

13 by the State, or locality if the State is not participating,

14 based on income level and family size. Total fees for all eligi-

15 ble children in a family receiving services under this Act shall

16 not exceed 10 percent of a family's gross income.

17 (3) Maximum fees per child shall not exceed the cost per

18 child of the services provided.

19 USE OF FUNDS

20 SEC. 15. (a) IN GENERAL.—Service providers may use

21 funds furnished under this Act—

22 (1) to expand or upgrade through grant or con-

23 tract existing public or nonsectarian nonprofit early

24 childhood development or child care programs to make

25 them run full workday and full calendar-year and in

1 compliance with the requirements of section 16 of this
 2 Act, or

3 (2) to create through grant or contract to public
 4 or nonsectarian nonprofit entities full workday full cal-
 5 endar-year early childhood development programs that
 6 comply with section 16 of this Act if the needs of the
 7 locality may not be met by expanding or upgrading ex-
 8 isting programs.

9 (b) AUTHORIZED ACTIVITIES.—Grants under this Act
 10 may be used for—

11 (1) development of and training in the use of de-
 12 velopmentally appropriate early childhood curricula, in- ✕
 13 cluding curricula that takes into account the language
 14 skills of children, including those whose native lan-
 15 guage is not English, and which is culturally sensitive
 16 and avoids race-based and gender-based stereotyping;

17 (2) direct provision of or purchase of early child-
 18 hood development and child care services;

19 (3) staff and personnel training in early childhood
 20 education, including training conducted in conjunction
 21 with other service providers with particular attention
 22 to avoidance of race-based and gender-based stereo-
 23 typing;

24 (4) upgrading the salaries of early childhood edu-
 25 cation and child care professional staff, and the devel-

1 opment of salary schedules for staff with varying levels
2 of experience, expertise, and training;

3 (5) acquisition or development of materials and
4 equipment;

5 (6) activities designed to assure that groups of
6 children participating in the program are mixed accord-
7 ing to gender, race, ethnicity, and socio-economic
8 status;

9 (7) transportation of children;

10 (8) health screening and diagnosis of children;

11 (9) nutrition services and nutrition education;

12 (10) parent outreach and involvement, family sup-
13 port, parent education, and referral and assistance in
14 procuring education, nutrition health, mental health,
15 and other social services for families of children receiv-
16 ing early childhood development and child care
17 services;

18 (10) prenatal health and education services for
19 parents of children receiving early childhood develop-
20 ment or child care services;

21 (11) recruiting or subsidizing senior citizens to
22 work with children;

23 (12) rental of space for provision of services, and
24 minor building renovation or remodeling of schools,

1 community agencies or business facilities to accommo-
 2 date programs for young children;

3 (13) family home visits;

4 (14) distribution of information about available
 5 services, establishing connections to resource and refer-
 6 ral agencies, and community outreach;

7 (15) agency collaboration; and

8 (16) evaluation of services.

9 MINIMUM STANDARDS

10 SEC. 16. Service providers serving children with funds
 11 under this Act shall meet the following minimum standards
 12 or use funds to bring programs in compliance with the follow-
 13 ing minimum standards:

14 (1) The child to adult ratio shall not exceed 10 to
 15 1, based on average daily attendance.

16 (2) The maximum group size shall be 20 children,
 17 based on average daily attendance.

18 (3) Services shall be available for the full workday
 19 and full calendar year, although families shall be given
 20 the option of enrolling their children part time.

21 (4)(A) At least one staff member supervising each
 22 group of children shall have training and experience in
 23 early childhood education or child development. The
 24 staff member shall be certified in early childhood edu-
 25 cation or child development, if the State has a certifi-
 26 cation procedure in these areas, or, if the State does

1 not have a certification procedure, the staff member
2 shall have a nationally recognized child development
3 credential or postsecondary education with significant
4 coursework in early childhood development.

5 (B) Additional staff members who do not have the
6 qualifications described in paragraph (A) supervising
7 each group of children shall receive a minimum of 2
8 days of preservice training if not previously certified or
9 trained.

10 (C) All staff members shall receive 15 hours a
11 year of inservice training during the duration of their
12 employment; and where practical, an on-site curricu-
13 lum specialist with training and experience in early
14 childhood development shall be responsible for training
15 other staff to apply the curricula selected by the
16 program.

17 (5) Service deliverers shall use developmentally
18 appropriate curricula that take into account all the de-
19 velopmental aspects and individual needs of the chil-
20 dren served, including cognitive, physical, emotional,
21 and language skills of children, including skills of chil-
22 dren whose native language is other than English.
23 Standardized tests shall not be used to determine as-
24 signment to a group.

1 (6) Services shall include nutrition services as ap-
2 propriate. Service providers shall provide adequate and
3 nutritious meals and snacks, including breakfast at
4 parent request, and if practical, health, mental health,
5 screening for handicapping and "at-risk" conditions,
6 and social services for which an enrolled child and her
7 family are eligible, including on-site prenatal and par-
8 enting education. At a minimum, service providers
9 shall make referrals to and ensure that such health and
10 social services for which the enrolled child and her
11 family are eligible at the Federal, State, and local level
12 are provided.

13 (7) Service providers shall coordinate with the
14 local public school system to facilitate sharing of re-
15 sources where practical, including diagnostic and reme-
16 dial services and staff training, and to provide for the
17 enrolled child's transition to elementary school. Service
18 providers shall make arrangements with each appropri-
19 ate local educational agency for a representative of
20 such agency to facilitate such coordination.

21 (8) Service providers shall promote active parental
22 involvement, which—

23 (A) involves parental outreach;

24 (B) allows parents extensive access to the fa-
25 cilities in which services are delivered;

1 (C) informs parents of the program curricula
2 at the time the child is enrolled;

3 (D) makes all evaluations of the program
4 available to parents;

5 (E) allows parents regular opportunities to
6 meet with professional staff;

7 (F) where appropriate, provides parent edu-
8 cation;

9 (G) permits parents (other than full-time
10 staff) the opportunity to volunteer their services
11 within the classroom setting; and

12 (H) allows parents a role in policymaking.

13 Participation by parents within the classroom shall not
14 change any of the requirements regarding staffing in
15 this section.

16 (9) Service providers must ensure the physical
17 safety of children served and be in compliance with any
18 applicable State and local law, regulation, or policy for
19 licensing, health, sanitation, building and fire safety,
20 and Federal and State child care standards applicable
21 to programs for children of the age group served.

22 (10) A locality shall reserve for children described
23 in section 14(b)(1) who reside within such locality, at
24 least 50 percent of spaces made available by funds pro-
25 vided under this Act unless all such children whose

1 parents desire services have been served. No child re-
 2 ceiving services in programs assisted by this Act shall
 3 be denied continued services as a result of changes in
 4 family income or as a result of the locality's attempt to
 5 comply with this provision.

6 (11) Each Head Start agency receiving funds
 7 under this Act shall be deemed in compliance with
 8 minimum standards (5), (6), and (8), if they are in com-
 9 pliance with the Head Start Performance Objectives.

10 ADMINISTRATIVE PROVISIONS

11 SEC. 17. (a) WITHHOLDING OF PAYMENTS.—(1)
 12 Whenever the Secretary, after reasonable notice to the Lead
 13 State Agency (or, in the case of a grant provided under sec-
 14 tion 5(b) of this Act, to the locality) and an opportunity for a
 15 hearing, finds that there has been a failure to comply sub-
 16 stantially with any assurances required to be given or condi-
 17 tions required to be met under this Act, the Secretary shall
 18 notify such agency (or locality) of the findings and that begin-
 19 ning 60 days after the date of such notification, further pay-
 20 ments will not be made to the State (or locality) under this
 21 Act (or, in the Secretary's discretion, that the Lead State
 22 Agency shall reduce or terminate further payments under this
 23 Act to any locality or service provider) until the Secretary is
 24 satisfied that there is no longer any such failure to comply.
 25 Until the Secretary is so satisfied—

1 (A) payments to the State (or locality) under this
2 Act shall be reduced or terminated, or

3 (B) payments by the Lead Agency under this Act
4 shall be limited to localities and service providers not
5 affected by the failure.

6 A transcript or recording shall be made of any hearing con-
7 ducted under this section and shall be available for inspection
8 by any person.

9 (2) Upon submission to a State (or locality) of a notice
10 under paragraph (1) of this subsection that the Secretary is
11 withholding payments, the State (or locality) shall take such
12 action as may be necessary to bring its actions into compli-
13 ance with the provisions of this Act.

14 (b) JUDICIAL REVIEW.—(1) If any State (or locality) is
15 dissatisfied with the Secretary's action under subsection (a) of
16 this section, such State (or locality) may, within 60 days after
17 notice of such action, file with the United States Court of
18 Appeals for the circuit in which such State (or locality) is
19 located a petition for review of that action. A copy of the
20 petition shall be transmitted by the clerk of the court to the
21 Secretary. The filing of such petition shall act to suspend any
22 withholding of funds by the Secretary pending the judgment
23 of the court and prior to a final action on any review of such
24 judgment. The Secretary thereupon shall file in the court the

1 record of the proceedings on which he or she based the action
2 which is the subject of the appeal.

3 (2) A Lead State Agency (or locality) shall be presumed
4 to have complied with this Act, but the findings of fact by the
5 Secretary, if supported by the weight of the evidence, may
6 overcome such presumption. The court may remand the case
7 to the Secretary to take further evidence, and the Secretary
8 may thereupon make new or modified findings of fact and
9 may modify his or her previous action, and shall file in the
10 court the record of the further proceedings.

11 (3) Upon the filing of such petition, the court shall have
12 jurisdiction to affirm the action of the Secretary or to set it
13 aside, in whole or in part. The judgment of the court shall be
14 subject to review by the Supreme Court of the United States
15 upon certiorari or certification as provided in section 1254 of
16 title 28, United States Code.

17 (c) CONTINUING ACTIVITIES PROTECTED.—No Head
18 Start agency receiving funds under this Act which, prior to
19 the date of enactment of this Act, was located in any facility
20 owned or operated by a local educational agency shall—

21 (1) by reason of being selected to administer a
22 program with funds under this Act, or

23 (2) by reason of the selection of the local educa-
24 tional agency to administer a program with funds
25 under this Act,

1 be denied the continued use of such facilities in accordance
 2 with the arrangements with respect to such facilities so in
 3 effect.

4 EVALUATION

5 SEC. 18. (a) LOCAL POLICY GROUP EVALUATION.—

6 (1) Local Policy Groups shall arrange for the periodic on-site
 7 evaluation of the local programs by reviewers including com-
 8 munity members and early childhood development experts
 9 who are not directly involved in the administration of the
 10 program. The evaluations shall be made available to the
 11 service provider, parents of eligible children, interested mem-
 12 bers of the community, and the State Interagency Advisory
 13 Task Force.

14 (2) The Local Policy Group shall prepare and submit an
 15 annual report to the State Interagency Advisory Task Force
 16 as required by section 12 of this Act.

17 (b) STATE INTERAGENCY ADVISORY TASK FORCE
 18 EVALUATION.—(1) The State Interagency Advisory Task
 19 Force shall arrange for periodic on-site monitoring, inspec-
 20 tion, and evaluation of programs assisted under this Act by
 21 reviewers who are not directly involved in the administration
 22 of the program. The evaluations shall be made available to
 23 service providers, parents of eligible children, interested
 24 members of the community, and the Secretary.

25 (2) The State Interagency Advisory Task Force shall
 26 prepare and submit an annual report to the Governor and the

1 Secretary as required by section 9 of this Act. The report
2 shall include, in summary form, information contained in re-
3 ports submitted by local advisory groups in accordance with
4 subsection (a)(2) of this section.

5 (c) GENERAL EVALUATIONS.—(1) The Secretary shall
6 provide, directly or by way of grant or contract, for the con-
7 tinuing evaluation of programs assisted under this Act, in-
8 cluding evaluations that measure and evaluate the impact of
9 programs authorized by this Act, in order to determine their
10 effectiveness in achieving stated goals, their impact on relat-
11 ed programs, and their structure and mechanisms for delivery
12 of services, including, where appropriate, comparisons with
13 appropriate control groups composed of persons who have
14 not participated in such programs. Evaluations shall be con-
15 ducted by persons not directly involved in the administration
16 of the program being evaluated.

17 (2) In carrying out evaluations under this section, the
18 Secretary may require States or localities to provide for inde-
19 pendent evaluations.

20 (3) In carrying out evaluations under this section, the
21 Secretary shall, whenever feasible, arrange to obtain the spe-
22 cific views of persons participating in and served by programs
23 assisted under this Act about such programs.

24 (4) The Secretary shall publish the results of evaluative
25 research and summaries of evaluations of programs and pro-

1 jected impact and effectiveness not later than 90 days after
 2 the completion thereof. The Secretary shall submit to the
 3 appropriate Committees of the Congress copies of all such
 4 research studies and evaluation summaries.

5 (5) The Secretary shall take the necessary action to
 6 assure that all studies, evaluations, proposals, and data pro-
 7 duced or developed with assistance under this section shall
 8 become the property of the United States.

9 (6) The Secretary shall prepare and submit to appropri-
 10 ate Committees of the Congress an annual report. The report
 11 shall include, in summary form, information contained in re-
 12 ports submitted by States in accordance with subsection (b)(2)
 13 of this section.

14 NONDISCRIMINATION

15 SEC. 19. (a) IN GENERAL.—No locality receiving Fed-
 16 eral financial assistance under this Act shall discriminate
 17 against any child on the basis of race, color, national origin,
 18 sex, religion, native language or handicap in the provision of
 19 any child care services, including admission decisions, fees,
 20 and discipline.

21 (b) EMPLOYMENT DISCRIMINATION RULE.—No State
 22 or locality receiving Federal financial assistance under this
 23 Act shall engage in any employment discrimination prohibi-
 24 ed by title VII of the Civil Rights Act of 1964 (42 U.S.C.
 25 2000e, et seq.); nor shall any such State or locality discrimi-
 26 nate in employment on the basis of handicap.

1 (c) NONDISCRIMINATION WITH RESPECT TO HANDI-

2 2. RULE.—All Federal, State, and local laws regarding

3 the provision of services to handicapped individuals shall be

4 complied with in the use of funds under this Act.

5 PAYMENTS; FEDERAL SHARE; MAINTENANCE OF EFFORT

6 SEC. 20. (a) PAYMENTS.—(1) The Secretary shall pay

7 to each State, or locality in the case of a nonparticipating

8 State, having an application approved under section 11, or

9 13, as the case may be, the Federal share of the cost of the

10 activities described in the application.

11 (2) The Federal share—

12 (A) for the first year in which the State receives

13 funds under this Act shall be 70 percent;

14 (B) for the second such year shall be 60 percent;

15 and

16 (C) for the third such year and each year thereaf-

17 ter shall be 50 percent.

18 (3) The Federal share—

19 (A) for the first year for which a locality, located

20 in a nonparticipating State, receives assistance under

21 this Act shall be 80 percent;

22 (B) for the second such year shall be 75 percent;

23 and

24 (C) for the third such year and each succeeding

25 year shall be 70 percent.

1 (4) Grants to States and localities may be for up to 3
2 years subject to annual review and are renewable.

3 (b) NON-FEDERAL SHARE.—(1) The non-Federal share
4 of payments under this Act may be in cash or in kind, fairly
5 evaluated, including plant, equipment, or services subject to
6 the limitations in subparagraph (2).

7 (2) A State receiving funds under this Act shall pay at
8 least 75 percent of the non-Federal share. Such payment
9 shall be in cash from non-Federal sources. States shall not
10 require localities to contribute more than 25 percent of the
11 non-Federal share or to contribute to the cash portion of the
12 non-Federal share.

13 (c) MAINTENANCE OF EFFORT.—(1) All Federal funds
14 and funds paid as a part of the non-Federal share under this
15 Act shall be used to provide services supplementary to serv-
16 ices described in section 13 already provided within the State
17 and the locality in the fiscal year prior to the date of enact-
18 ment of this Act.

19 (2) The maintenance of effort requirement of this sub-
20 section shall be satisfied with respect to a particular program
21 if the average per child expenditure in the program for the
22 fiscal year in which services are to be carried out will not be
23 less than such expenditure in such program in the previous
24 year before taking into account Federal and non-Federal
25 funds provided under this Act.

1 (d) WAIVER.—If the Secretary determines that a State
2 would suffer substantial hardship as a result of paying the
3 non-Federal share of payments because of the State's eco-
4 nomic condition or substantial prior commitment of funds for
5 early childhood development or child care programs, the Sec-
6 retary may for 1 year reduce the amount of the non-Federal
7 share by up to 30 percent.

8 RECORDS AND AUDITS

9 SEC. 21. (a) RECORDS.—Each recipient of financial as-
10 sistance under this Act shall keep records as the Secretary
11 shall prescribe, including records which fully disclose the
12 amount and disposition by such recipient of the proceeds of
13 such financial assistance, the total cost of the program sup-
14 plied by other sources, and such other records as will facili-
15 tate an effective audit.

16 (b) AUDITS.—The Secretary and the Comptroller Gen-
17 eral of the United States, or any of their duly authorized
18 representatives, shall have access for the purpose of audit
19 and examination to any books, documents, papers, and
20 records of the recipients that are pertinent to the financial
21 assistance received under this Act.

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